

CITY OF TIGARD, OREGON

RESOLUTION NO. 01-68

A RESOLUTION AUTHORIZING A LOAN FROM THE SPECIAL PUBLIC WORKS FUND BY ENTERING INTO A LOAN CONTRACT WITH THE OREGON ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT.

WHEREAS, The City of Tigard is a "municipality" within the meaning of Oregon Revised Statutes 285B.410(1), and

WHEREAS, Oregon Revised Statutes 285B.410 through 285B.479 (the "Act") authorize any municipality to file an application with the Oregon Economic and Community Development Department ("the Department") to obtain financial assistance from the Special Public Works Fund, and

WHEREAS, The City has filed an application with the Department to obtain financial assistance for an "infrastructure project" within the meaning of the Act, and

WHEREAS, The Department has approved the City's application for financial assistance from the Special Public Works Fund pursuant to the Act, and

WHEREAS, The City is required, as a prerequisite to the receipt of financial assistance from the Department, to enter into a Financial Assistance Award Contract and a Loan Agreement with the Department in substantially the form attached hereto as Exhibits "A" and "B", and

WHEREAS, The Cook Park Project described in Exhibit "A" to the Loan Agreement (the "Project") is an "infrastructure project" within the meaning of the Act which is needed by and is in the public interest of the City, and

WHEREAS, Notice relating to the City's consideration of the adoption of this Resolution was published at least once in a newspaper of general circulation within the City of Tigard. Such notice was published at least 14 days in advance of the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1. The City Council authorizes the Finance Director to execute the Financial Assistance Award Contract, Loan Agreement, the Promissory Note attached as Exhibit "F" to the Loan Agreement (the "Financing Documents") and such other documents as may be required to obtain financial assistance including a loan from the Department on the condition that the principal amount of the loan from the Department to the City of Tigard is not in excess of \$2,290,248 and the interest rate is a percent deemed reasonable by the Finance Director and in the best interest of the City of Tigard. The proceeds of the loan from the Department shall be applied solely to the "Costs of the Project" as such term is defined in the Loan Agreement.

SECTION 2. Amounts payable by the City of Tigard shall be payable from the sources described in Section 2.07 of the Loan Agreement and the Oregon Revised Statutes Section 285B.443(2) which include:

- a. Any sources of funds that are legally available to the City,
- b. The revenues, if any, of the Project, including special assessment revenues, if any, and
- c. The City's General Fund including the general revenues of the City, other funds which may be available for such purpose and a pledge of the City's taxing power within the restrictions of Article XI, Section 11 and 11b of the Constitution of the State of Oregon. The obligation of the City to make payments pursuant to the Loan Agreement is a full faith and credit obligation of the City that is not subject to annual appropriation.

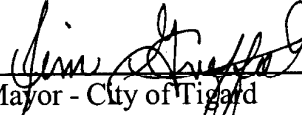
SECTION 3. The Finance Director is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to obtain financial assistance from the Department for the Project pursuant to the Financial Assistance Award Contract and the Loan Agreement.

SECTION 4. The City covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the City pursuant to the Loan Agreement not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The Finance Director of the City of Tigard may enter into covenants on behalf of the City to protect the tax-exempt status of the interest paid by the City pursuant to the Loan Agreement and may execute any Tax Certificate, Internal Revenue Service forms or other documents as shall be required by the Department or their bond counsel to protect the tax-exempt status of such interest.

SECTION 5. The City may reimburse expenditures for the Project with amounts received from the Department pursuant to the Financing Documents. Additionally, the City understands that the Department may fund or reimburse itself for the funding of amounts paid to the City pursuant to the Financing Documents with the proceeds of bonds issued by the State of Oregon pursuant to the Act. This Resolution shall constitute "official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations promulgated by the United States Department of the Treasury with respect to the funding or the reimbursement for the funding of the costs of the Project with the proceeds of the City's loan pursuant to the Financing Documents and with the proceeds of any bonds issued by the State of Oregon pursuant to the Act.

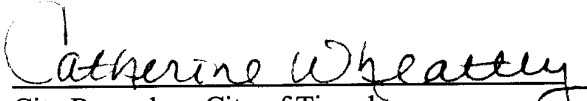
SECTION 6. This resolution is effective immediately upon passage.

PASSED: This 13th day of November 2001.



Mayor - City of Tigard

ATTEST:



City Recorder - City of Tigard